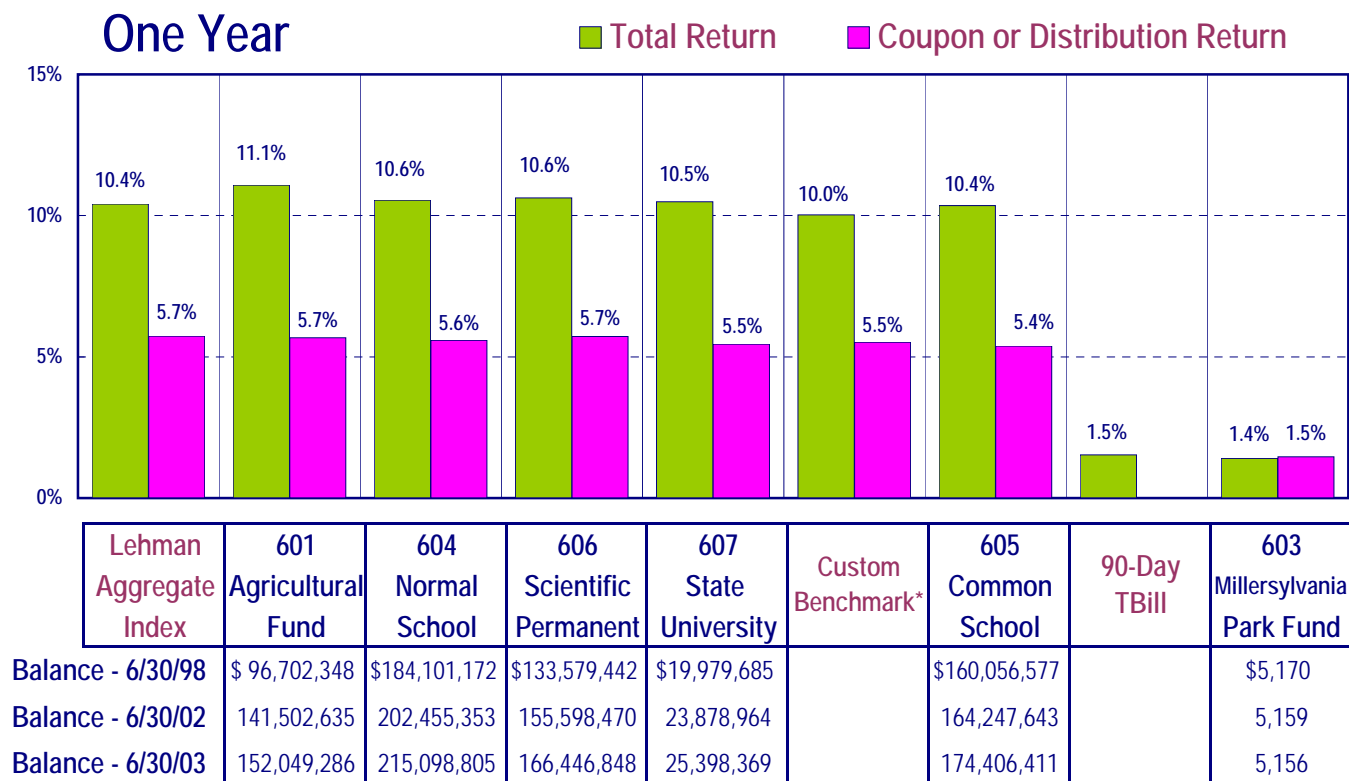


# PERMANENT FUNDS

June 30, 2003

## Interest Income, Performance and Duration



## Distribution Return (Includes coupon income and amortization minus expenses and deferred losses based on book value)

Quarter	1.29%	1.26%	1.31%	1.24%		1.19%		0.29%
One Year	5.67%	5.58%	5.73%	5.45%		5.38%		1.46%
Three Year	6.51%	6.36%	6.53%	6.40%		6.15%		3.39%
Five Year	-35.38%	6.48%	6.48%	6.65%		6.30%		4.20%

## Total Return

Quarter	2.50%	2.63%	2.63%	2.72%	2.56%	2.98%	3.20%	0.34%	0.28%
One Year	10.41%	11.08%	10.55%	10.63%	10.49%	10.03%	10.35%	1.53%	1.40%
Three Year	10.08%	10.31%	10.41%	10.53%	10.64%	9.42%	9.87%	3.34%	3.24%
Five Year	7.54%	7.40%	7.49%	7.46%	7.72%	7.16%	7.12%	4.02%	4.12%
Ten Year	7.21%	7.31%	7.34%	7.29%	7.39%	7.02%	7.18%	4.57%	4.61%

## Fixed Income Duration

Duration	3.95	4.22	4.23	4.19	4.17	3.95	4.36	0.24	0.10
Difference		0.27	0.28	0.24	0.22		0.41		N/A
Percent Difference		6.8%	7.1%	6.2%	5.7%		10.4%		N/A

\* The custom benchmark for the Common School Fund is a combination of the Lehman Aggregate and Wilshire 5000 using the previous month-end weights adjusted for new purchases during the current month. For June 2003, the breakdown was 3.9% Wilshire 5000 and 96.1% Lehman Aggregate.